

FRENCH BEGIN ADVANCE INTO ALSACE, DRIVING GERMANS BACK WITH LOSSES AFTER SEVERAL FIERCE ENGAGEMENTS; TOWN OF THANN RETAKEN; AVIATORS DROP BOMBS IN METZ

WILSON AGAINST U. S. LOANS TO NATIONS AT WAR

Secretary Bryan Announces Opposition to Financial Aid for France.

HELD TO BE VIOLATION OF STRICT NEUTRALITY

No Objection Offered to the Lending of Money to Neutrals.

WASHINGTON, Aug. 15.—The Wilson Administration will view with disfavor the making of any loans to the European belligerents by American bankers. Announcement to this effect was made today by Secretary Bryan.

The Administration has no objection to American bankers making loans to neutral Governments in Europe, but regards the lending of money to belligerents as inconsistent with the true spirit of neutrality.

In accordance with this decision the State Department informed the Swiss Charge d'Affaires to-day that this Government would make no objection to American bankers lending money to Switzerland. This statement was made in response to an inquiry from the Swiss Government.

The public statement of the Administration's position is the result of tentative inquiries made by the firm of J. P. Morgan & Co., which has been sounded unofficially with regard to a proposed loan to France.

Bryan's Statement.

It is understood that the State Department will not formally communicate with the bidders, but will leave it to the latter to learn the Administration's views through Secretary Bryan's announcement to the newspapers. Mr. Bryan's statement is as follows:

Inquiry having been made as to the attitude of this Government in case of American bankers being asked to make loans to foreign Governments during the war in Europe the following announcement is made:

There is no reason why loans should not be made to the neutral Governments, but, in the judgment of this Government, loans by American bankers to any foreign nation which is at war is inconsistent with the true spirit of neutrality.

This stand by the Wilson Administration marks a new step in the interpretation of the requirements of neutrality and in international finance.

It is understood that the decision represents absolutely the harmonious views of both President Wilson and Secretary Bryan who regard it as necessary to the same ideals that they have set forth in statements regarding the Administration's stand on matters of international finance, namely, the six power loans to China and relations with Central and South American countries.

The Administration is not only averse to anything being done which would give the appearance of the United States lending support to one side or the other in the European conflict, but believes that the position announced to-day will indirectly have no small effect upon the duration of the war.

More to Force Peace.

It is their hope that by refusing financial support to all the belligerents they will sooner be brought to the end of their resources and compelled to desist from war. The United States is practically the only nation capable of making great international loans which is not directly involved in the war and consequently the belligerents are left entirely to their own resources for obtaining cash.

Such a stand never has been taken before by a Washington Administration. As late as the Russo-Japanese war American bankers participated in war finance. Millions of dollars worth of Japanese securities were floated in the United States by bankers during that war.

Though the peace advocates have for a number of years been urging that the best means for preventing war was for the governments or the bankers to refuse to make loans, it was not expected that the Administration at Washington would announce its objections to the lending of money to belligerent Powers by American bankers.

It has been known here for several days that the President was opposed to American bankers making any loans, but it was believed that he would content himself with refraining from giving public approval of the French loan proposals. Having it to the bankers themselves to decide whether they cared to make the loan or not.

In view of the statement issued by the French last night it is not believed that the proposed loan to France will make the Administration has publicly announced its disapproval.

No statement was obtainable from any of the members of J. P. Morgan & Co. yesterday regarding the Administration's approval of the proposed loan to France, owing to the fact that J. P. Morgan and Henry P. Davison, the two members of the firm who had been conducting the negotiations, were cruising on Mr. Morgan's yacht and are not expected back until to-morrow.

THE SUN TO-DAY

CONSISTS OF SEVEN SECTIONS, AS FOLLOWS:

FIRST	General News	12
SECOND	Sporting, Automobiles, Kennels	8
THIRD	Foreign, Special Features, Fashions, Drama, Books, Queries	12
FOURTH	Pictorial Magazine	16
FIFTH	Fiction Magazine	12
SIXTH	Society, Resorts, Schools, Real Estate, Financial, Gardens, Poultry, Problems	12
SEVENTH	Apartment House Guide	8
Total		80

Readers or newsdealers who do not receive all of these sections will confer a favor on "The Sun" by notifying the Publication Department at once by the phone (2200 Beckman) and the missing sections will be promptly forwarded, if possible.

GERMANY RECKS NOT COST OF LIVES OF MEN

Ready to Fight Until Every Soldier Is Slain, Is the Official Stand.

PARIS THE ARMY'S GOAL

Staff Officers Expect Heavy Losses, but Are Confident of Victory.

By KARL H. VON WIEGAND.

THE SUN's correspondent at Berlin, Mr. von Wiegand, was the only American newspaper correspondent permitted to remain in Berlin after the declaration of war. He is a German by birth and an American citizen. He was arrested as a spy, but was released on the intervention of Ambassador Gerard. He left Berlin Thursday evening.

Special Cable Dispatch to THE SUN.

ROTTERDAM, Aug. 15.—The German military position, as described to me just before I left the Foreign Office in Berlin on Thursday, is this:

"Rather than surrender Germany is prepared to fight until every man capable of bearing arms is slain."

The War Office alone knows just how much the fighting to date along the lines of this policy has cost Germany. It has cost many men, but much is known, but the losses have had the effect only of firing the determination of the Kaiser and his advisers that the German cause shall prevail. As for the nation itself, it is calm. Reports of anti-war demonstrations are absolutely untrue.

Only brief stories from the front were being printed when I left Berlin to accompany the first trainload of American refugees to Rotterdam. One of these reports, which was denied at once by the General Staff, was that the Germans had taken the French fortress of Belfort. The German army was reported to have driven the French in Alsace back toward the frontier and to be holding them in check.

The German Imperial General Staff had not expected any serious opposition in Belgium. The Imperial Chancellor had promised that Germany would pay for any damage her troops might cause in crossing Belgian territory and would respect Belgium's territorial integrity. The fighting in Belgium came as a surprise, but the Kaiser and the General Staff agreed that as Belgium resisted she must be conquered at any cost.

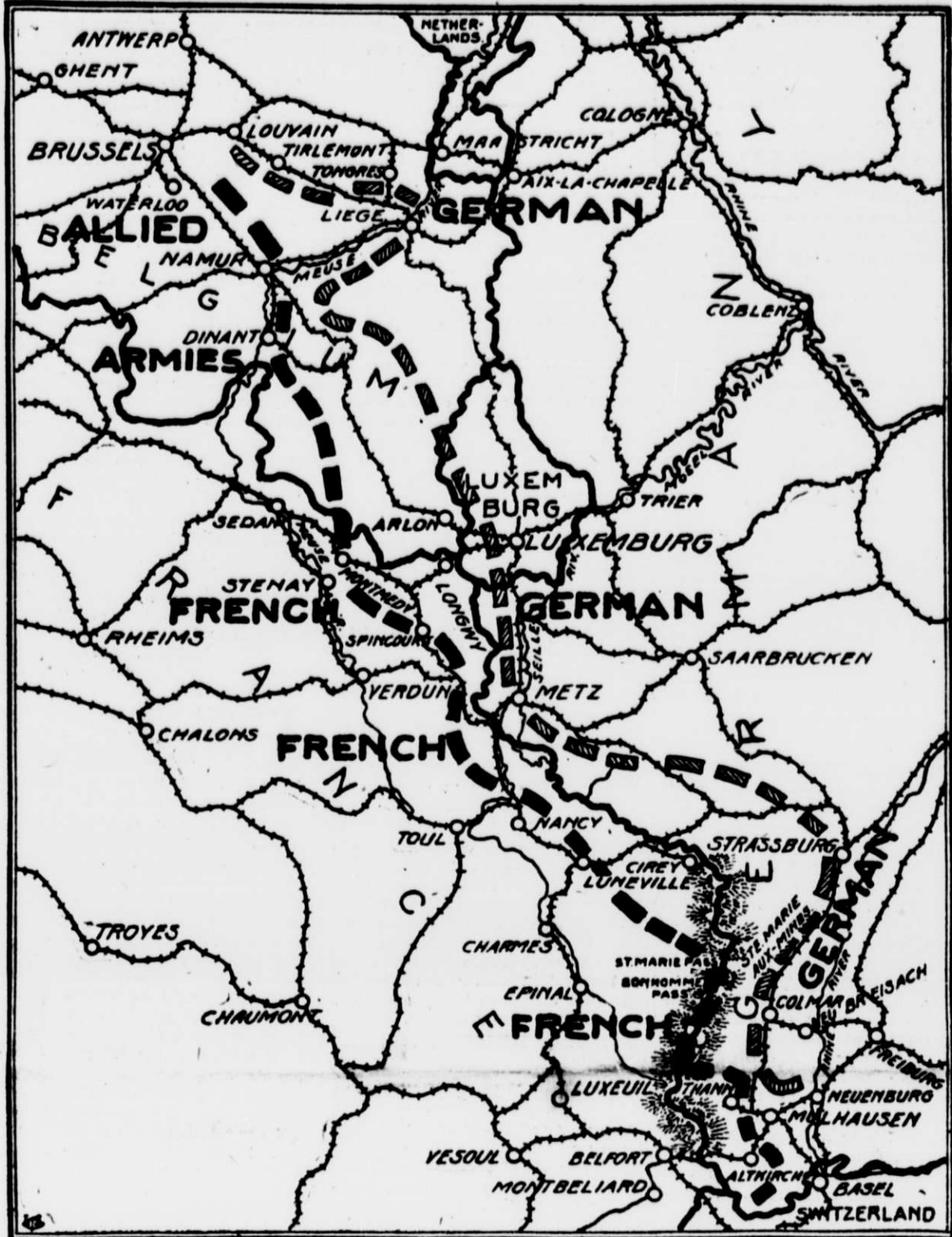
The existence of an understanding between France and Belgium is indicated by the fact that French troops entered Belgium almost simultaneously with the Germans.

The German army is going to Paris. That is the one fact in the scheme of the campaign which is permitted to become known. The plan of campaign and the routes by which the armies are to travel are naturally kept secret. It is taken for granted that great losses must be expected in carrying out such an undertaking, but the staff officers with whom I talked insist that there can be only one outcome.

Emperor William has aged greatly in the last fortnight. His customary smile has disappeared and the deep lines in his face are more accentuated. Members of his household, however, say that he is determined to sacrifice everything for the national cause. He is in almost constant consultation with his military advisers. The Kaiser's position is that Germany was forced into the war and that she must continue to fight. He is deeply grieved over the losses to the German army, but he shows no disposition to recede from his position.

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Where the Great Conflict Rages

The French are driving the Germans into the heights of the Vosges, a general advance having begun. The town of Thann in upper Alsace has been recaptured and the War Office at Paris announces that a number of prisoners have been taken. It is also reported that Gen. von Deinling, commander of the Fifteenth Army Corps, which had its headquarters in Thann, was wounded in the fighting. At Ste. Blaise in the valley of the Burche, the French captured a German flag.

Two French aeroplanes from the fortress of Verdun passed over the city of Metz, and the French airmen dropped two bombs into the hangars of the Frasscati airship factory, in which were a number of Zeppelins. The Germans sighted the air craft and made several attempts with guns designed for such work to bring the aircraft to earth, but the aeroplanes dodged about so much that a sure aim was impossible and both machines regained Verdun after making important observations and locating the German forces.

WARSHIP GIVES ST. PAUL A SCARE

Follows Liner at Sea, Looks Her Over Carefully, Then Disappears.

Special Cable Dispatch to THE SUN.

LONDON, Aug. 15.—The passengers on the American Line steamer St. Paul, which sailed from New York August 7, arrived at Euston station to-night after an amusing and somewhat exciting voyage. The Duchess of Marlborough was one of the passengers. The liner carried 3,949 sacks of mail.

There was the usual alarm about German cruisers scouring the ocean. While these stories were spreading throughout the ship a school of whales through which the steamer ploughed her way caused a report that submarines had attacked the ship.

On Tuesday there was a heavy storm which made even the most hardy of the passengers seasick. While some passengers were watching a huge iceberg on one side of the ship a cry was raised that a warship was visible on the other side. There was an immediate rush to that side and away in the gray for a warship was visible. She was apparently headed for the St. Paul.

Just then the liner gave a lurch and a big wave came aboard. The Duchess of Marlborough, various members of the British nobility and several commoners and war correspondents on the liner went down in one democratic, indescribable mass.

The warship came on toward the St. Paul and seemed to look her over. Without so much as even saying "good day," so far as known, the warship went her way. It is generally supposed that the vessel was one of the English cruisers which are so effectively patrolling the North Atlantic lane.

The St. Paul cruised until the Mersy for nearly twenty-four hours. All the passengers who had been transhipped from the liner Kronprinzessin Cecilie and those with German or Austrian names were subjected to a kindly but rigorous inquisition and actual Germans and Austrians were detained.

WAR NEWS IN BRIEF

BELGIUM.—The main German army in Belgium, estimated to number 800,000 men, has begun an attempt to turn the left flank of the Franco-British-Belgian army by swinging to the north of Brussels, upon which the left wing of the allied forces is supposed to rest. The army of the allies, estimated at 500,000 men, is moving to resist the German advance, in the way of which there are several heavily fortified positions.

Heavy cannonading heard from the direction of Louvain yesterday indicated that the attack by the German advance guard on the Belgian headquarters there had begun.

FRANCE.—The War Office announced late last night that important victories had been won in a new advance of French troops into Alsace and that a large force was pressing the Germans back at several points.

It was said that an entire corps of Bavarian infantry had been wiped out in a fight at Blamont and Cirey.

The French War Office says the Germans have been compelled to abandon for the present the advance from Metz against Nancy.

The French troops operating in the Vosges, on the border of Alsace, are reported officially to have advanced into the valleys of the Vosges and to have driven the German troops from the town of Saales.

GERMANY.—A Berlin dispatch received by the wireless station at Sayville yesterday says: "The Seventh French Army Corps and an army division from Belfort, which had invaded upper Alsace, were defeated yesterday by German troops near Muelhausen." Karl H. von Wiegand, THE SUN's Berlin correspondent, cables from Rotterdam that "Germany is prepared to fight until every man capable of bearing arms is slain."

GREAT BRITAIN.—Field Marshal Sir John French, commander in chief of the British field army, conferred with the French Minister of

War and President Poincare in Paris. The whereabouts of the British expeditionary force in Belgium and of the British fleet in the North Sea are kept absolutely secret.

RUSSIA.—The Russian General Staff announces that Russian troops have destroyed railroads and telegraph lines at eleven points along the East Prussian border. Russian troops encountered a regiment of Uhlans and a regiment of German infantry with artillery near Kalisz on the Prussian frontier on Wednesday. The Germans retired to the northwest without fighting.

ITALY.—Austria demanded that Italy give permission for her troops to cross Italy for an attack on France. Italy refused to accede to the demand. The incident has vastly increased the tension between these two nominal allies.

JAPAN.—Paris hears that Japan is about to declare war on Germany and attack Tsingtau, the German Far Eastern base.

WASHINGTON.—The rumor that Japan is preparing to participate in the war is scouted at the Japanese Embassy. Secretary Bryan has announced that the Administration will view with disfavor the making of any loans to the belligerents by American bankers.

ARREST POLICE COMMISSARY.

Special Cable Dispatch to THE SUN.

PARIS, Aug. 15.—Humorous incidents mark even war tragedies. The Civil Guard of Bellevue has been ordered to disband because in its patriotic zeal to keep the village free of suspicious characters it was led into the mistake of arresting the local police commissary. The official received several wounds.

VACATION OUTING TO THE LAND OF THE SKY.

From Washington, D.C., to Asheville, N.C., and other Western North Carolina points. Lv. Washington Aug. 28th, good to return on any train Sept. 12th. Pullman sleeping and dining car service. Information Southern Railway Office, 264 Fifth Ave.—Ad.

BAVARIAN CORPS DESTROYED BY FRENCH IN SHARP FIGHT NEAR BLAMONT, IN ALSACE

Encounter Continues Till After Nightfall and Formation of Defenders Is Thrown Into Relief by Lights of Towns.

KAISER'S TROOPS RETREAT INTO UPPER RANGES OF VOSGES

Two French Aeroplanes Drop Bombs on City of Metz and Successfully Elude Fire From Earth—German Aeroplane Is Captured Near Bouillon.

PARIS, Aug. 15.

The most important successes yet achieved by the French forces in Alsace are reported in a communique issued by the War Office at 11:30 to-night.

A general advance has begun, several engagements have been fought and the French arms are said to have triumphed at every point.

THE COMMUNIQUE SAYS THAT THE REALLY IMPORTANT FRENCH ATTACK IN ALSACE HAS BEGUN AND THAT IT HAS BEEN ATTENDED BY THE MOST FAVORABLE RESULTS.

An important encounter took place to-day near Blamont, Cirey and Buricourt, where the French destroyed a Bavarian army corps.

The engagement was fought upon the heights about Blamont and Cirey. The villages were brilliantly illuminated, as the fighting continued after nightfall. The French were enabled to direct their fire to great advantage upon the Germans, whose formations were thrown into strong relief by the lights of the town.

The German columns are retreating from the villages, the communique continues, and have left behind them many dead and wounded. The French have also taken many prisoners and they are pursuing the enemy into the upper ranges of the Vosges.

The Germans appear to be retreating into the mountains, but the French are close upon their heels and firing is still keeping up.

The town of Thann in Haute Alsace has been recaptured, the War Office announces, and a large number of prisoners taken.

The German captives affirm the report that Gen. von Deinling, commanding the Fifteenth German Army Corps, who had his headquarters in Thann, was wounded in the fighting.

At Ste. Blaise in the valley of the Bruche the French captured a German flag.

Two French aeroplanes have made a daring flight from the fortress at Verdun over the city of Metz, where the French airmen dropped two bombs on the great hangars of the Irascati airship factory, in which were stabled a number of Zeppelins.

The Germans sighted the French aircraft and made futile attempts to bring them to earth. Guns designed for such work were brought into play and the French aviators heard hundreds of shots shriek past them. But none hit, for aeroplanes dodged about so much that a sure aim from the earth was impossible.

The machines finally regained Verdun after having made some important observations and located the German forces in the surrounding country. The aviators were unharmed and apparently not a single bullet struck their craft.

Another German aeroplane has been captured near Bouillon, with two officers, one of whom was wounded by the shots which compelled them to bring their machine to earth.

FRANCE CREDITS BELGIUM WITH FOILING INVADERS

Special Cable Dispatch to THE SUN.

PARIS, August 15.

An official summary of France's position in the war to date was issued by the Government this afternoon. It begins by describing the check dealt to Germany's rushed attack by way of Nancy, in which the first line of the general attacking army engaged. The summary confirms the reports that the German reservists had mobilization orders to rejoin their commands at Verdun, Reims, Chaumont and other French towns from the fifth to the fifteenth day of mobilization.

Speaking of the second rushing at-